



OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note

Fiscal Note On: **HB 179** HLS 13RS 554

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 3, 2013	2:21 PM	<b>Author:</b> BURNS, HENRY
<b>Dept./Agy.:</b> Shreveport-Bossier Convention and Tourist Bureau		
<b>Subject:</b> Hotel Occupancy Tax		<b>Analyst:</b> Julie Betz

TAX/HOTEL OCCUPANCY OR +\$2,845,228 LF RV See Note Page 1 of 1

Authorizes the Shreveport-Bossier Convention and Tourist Bureau to levy an additional hotel occupancy tax within the jurisdiction of the bureau

**Purpose of Bill:** This measure increases the maximum rate of the hotel occupancy tax that the Shreveport-Bossier Convention and Tourist Bureau may levy from 4.5% to 7%, subject to the approval of the governing authorities of Shreveport and Bossier City and the parishes of Caddo and Bossier.

This measure adds additional uses for the tax revenue:  
(1) Operation and promotion of sporting activities related to sports tourism by the Shreveport-Bossier Sports Commission  
(2) Promotion of sporting events by the Independence Bowl Foundation

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$2,845,228	\$2,880,793	\$2,924,005	\$2,967,865	\$3,012,383	\$14,630,274
Annual Total	\$2,845,228	\$2,880,793	\$2,924,005	\$2,967,865	\$3,012,383	\$14,630,274

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$2,845,228	\$2,880,793	\$2,924,005	\$2,967,865	\$3,012,383	\$14,630,274
Annual Total	\$2,845,228	\$2,880,793	\$2,924,005	\$2,967,865	\$3,012,383	\$14,630,274

**EXPENDITURE EXPLANATION**  
Beginning in fiscal year 2014, there may be an increase in local expenditures of \$2,845,228. These expenditure amounts may increase in subsequent fiscal years.

According to an official with the Shreveport-Bossier Convention and Tourist Bureau, the funds generated by this measure will be expended as follows:

- (1) Up to one-half of the tax proceeds, or \$1,422,614 in fiscal year 2014, will be used for the operation and promotion of sporting activities related to sports tourism by the Shreveport-Bossier Sports Commission. These funds may be used for the operation and promotion of sporting goals and sporting activities, as it relates to sports tourism.
- (2) Up to one-half of the tax proceeds, or \$1,422,614 in fiscal year 2014, will be used for the promotion of sporting events by the Independence Bowl Foundation. These funds may be used to operate and promote Division 1 football events.

These expenditures may increase in subsequent fiscal years resulting in increased total expenditures of \$14,630,274 over five years.

**REVENUE EXPLANATION**  
Beginning in fiscal year 2014, there may be an increase in local revenues of \$2,845,228. These revenue amounts may increase in subsequent years.

Based on historical collections, the Shreveport-Bossier Convention & Tourist Bureau estimates that increasing the hotel occupancy tax to 7% will increase collections by approximately \$2,845,228 in fiscal year 2014. The Shreveport-Bossier Convention & Tourist Bureau projects a 1.25% increases in fiscal year 2015 and 1.5% increase in the remaining years, resulting in increased total revenue of \$14,630,274 over 5 years.